

## AMENDMENTS TO THE CLAIMS

Please amend claims 1, 11, and 19 as follows:

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1 1. (Currently Amended) A method of determining inventory levels  
2 of parts for a plurality of stocking locations, said method  
3 comprising:

4 providing data for a plurality of customer locations, unit price  
5 of said parts, request rates for each of said parts for each of  
6 said customer locations, handling costs for each of said stocking  
7 locations, and travel time and transportation cost between said  
8 stocking locations;

B 9 specifying a parts procurement time performance measure for  
10 transfer of said parts from said plurality of stocking locations  
11 to said plurality of customer locations, wherein equipment  
12 requiring one or more of said parts resides at one or more of  
13 said plurality of customer locations;

14 entering said data and said performance measure into an  
15 optimization computer program;

16 computing said inventory levels of said parts for said plurality  
17 of stocking locations using said optimization computer program;  
18 and

19 ordering sufficient numbers of said parts to maintain said  
20 inventory levels at said plurality of stocking locations, wherein  
21 said inventory levels are such that said performance measure is  
22 met.



1 2. (Previously Presented) The method of claim 1, wherein said  
2 data for said plurality of customer locations includes travel  
3 time and cost to transfer a part from each of said plurality of  
4 stocking locations to each of said customer locations.

1 3. (Previously Presented) The method of claim 1, wherein said  
2 request rates include a probability distribution for one or more  
3 of said request rates.

1 4. (Original) The method of claim 3, wherein said probability  
2 distribution is a Poisson distribution.

B 1 ✓ 5. (Previously Presented) The method of claim 1, wherein said  
2 not parts procurement time performance measure comprises the  
3 percentage of parts in said request rates which can be  
4 transferred from any said stocking location to each respective  
5 said customer location within a pre-specified time.

0.K. 1 (6) (Original) The method of claim 5, wherein said parts are  
2 X grouped by importance into a plurality of groups and said  
3 pre-specified time comprises a corresponding plurality of times.

obvious 1 (7) (Original) The method of claim 6, wherein inventory levels are  
2 computed to minimize overall cost while meeting or exceeding said  
3 plurality of times.

1 8. (Original) The method of claim 1, wherein said optimization  
2 computer program is a mixed integer optimization program.

0.K. 1 9. (Previously Presented) The method of claim 1, wherein said  
2 inventory levels are computed to meet a total inventory cost



3 while maximizing the percentage of said parts in said request  
4 rates which can be transferred from any said stocking location to  
5 each respective said customer location within a pre-specified  
6 time.

1 10. (Previously Presented) The method of claim 1, further  
2 comprising computing the estimated time for each part to be  
3 transferred from any said stocking location to each respective  
4 said customer location for each of said parts in said request  
5 rates.

11. (Currently Amended) A computer implemented method of  
specifying parts inventory levels for a network of stocking  
locations, said method comprising:

4 providing data for a plurality of customer locations, unit price  
5 of said parts, request rates for each of said parts for each of  
6 said customer locations, handling costs for each of said stocking  
7 locations, and travel time and transportation cost between said  
8 stocking locations;

9 specifying a parts procurement time performance measure for  
10 transfer of said parts from said network of stocking locations to  
11 said plurality of customer locations, wherein equipment requiring  
12 one or more of said parts resides at one or more of said  
13 plurality of customer locations;

*diff. numbers ?*  
14 formulating a mixed integer optimization model of said network;  
15 and

16 entering said model on a processor to solve said mixed integer  
17 model to obtain said inventory levels for each of said stocking



18 locations in said network, wherein said inventory levels are such  
19 that said performance measure is met.

1 12. (Original) The method of claim 11, wherein said model  
2 includes a total inventory cost constraint.

1 13. (Original) The method of claim 11, wherein said inventory  
2 levels are solved to minimize overall cost while meeting or  
3 exceeding said parts procurement time performance measure.

1 14. (Withdrawn) A computer system for controlling inventory  
2 levels of parts for a plurality of stocking locations,  
3 comprising:

4 a processor;

5 one or more files on said computer system containing data for a  
6 plurality of customer locations, unit price of said parts,  
7 request rates for each of said parts for each of said customer  
8 locations, handling costs for each of said stocking locations,  
9 and travel time and transportation cost between said stocking  
10 locations;

11 means for computing on said processor a parts procurement time  
12 performance measure;

13 an optimization computer program on said processor for  
14 calculating said inventory levels of parts for said plurality of  
15 stocking locations; and

16 an ordering system on said computer system for maintaining said  
17 inventory levels at said plurality of stocking locations.



1 15. (Withdrawn) The system of claim 14, wherein said data for a  
2 plurality of customer locations includes travel time and cost to  
3 transfer a part from each of said plurality of stocking locations  
4 to each of said customer locations.

1 16. (Withdrawn) The system of claim 14, wherein said request  
2 rates includes a probability distribution for one or more of said  
3 request rates.

1 17. (Withdrawn) The system of claim 14, further comprising a  
2 mixed integer model of said network.

1 18. (Withdrawn) The system of claim 17, wherein said model is  
2 formulated to minimize overall cost while meeting or exceeding a  
3 pre-specified parts procurement time performance measure.

1 19. (Currently Amended) A computer program product for  
2 instructing a processor to determine inventory levels of parts  
3 for a plurality of stocking locations, said computer program  
4 product comprising;

5 a computer readable medium;

6 first program instruction means for providing data for a  
7 plurality of customer locations, unit price of said parts,  
8 request rates for each of said parts for each of said customer  
9 locations, handling costs for each of said stocking locations,  
10 and travel time and transportation cost between said stocking  
11 locations;

12 second program instruction means for specifying a parts



13 procurement time performance measure for transfer of said parts  
14 from said plurality of stocking locations to said plurality of  
15 customer locations, wherein equipment requiring one or more of  
16 said parts resides at one or more of said plurality of customer  
17 locations;

18 third program instruction means for entering said data and said  
19 performance measure into an optimization computer program;

20 fourth program instruction means for computing said inventory  
21 levels of said parts for said plurality of stocking locations  
22 using said optimization computer program; and

23 fifth program instruction means for ordering sufficient numbers  
24 of said parts to maintain said inventory levels at said plurality  
25 of stocking locations, wherein said inventory levels are such  
26 that said performance measure is met; and wherein

27 all said program instruction means are recorded on said medium.

1 20. (Previously Presented) A method of determining inventory  
2 levels of parts for a plurality of stocking locations, said  
3 <sup>not</sup> method comprising:

4 providing data for a plurality of customer locations, unit price  
5 of said parts, request rates for each of said parts for each of  
6 said customer locations, handling costs for each of said stocking  
7 locations, and travel time and transportation cost between said  
8 stocking locations;

9 specifying a parts procurement time performance measure, wherein  
10 said parts procurement time performance measure comprises the



11 percentage of parts in said request rates which can be  
12 transferred from any said stocking location to each said  
13 respective customer location within a pre-specified time;

14 entering said data and said performance measure into an  
15 optimization computer program;

16 computing said inventory levels of said parts for said plurality  
17 of stocking locations using said optimization computer program;  
18 and

19 ordering sufficient numbers of said parts to maintain said  
20 inventory levels at said plurality of stocking locations.

*B*  
1 21. (Previously Presented) The method of claim 20, wherein said  
2 parts are grouped by importance into a plurality of groups and  
3 said pre-specified time comprises a corresponding plurality of  
4 times.

*O.K.*  
1 22. (Previously Presented) The method of claim 21, wherein  
2 inventory levels are computed to minimize overall cost while  
3 meeting or exceeding said plurality of times.

*obvious designs in business*  
1 23. (Previously Presented) A method of determining inventory  
2 levels of parts for a plurality of stocking locations, said  
3 method comprising:

4 providing data for a plurality of customer locations, unit price  
5 of said parts, request rates for each of said parts for each of  
6 said customer locations, handling costs for each of said stocking  
7 locations, and travel time and transportation cost between said  
8 stocking locations;



9 specifying a parts procurement time performance measure;

10 entering said data and said performance measure into an  
11 optimization computer program;

*BD*  
12 computing said inventory levels of said parts for said plurality  
13 of stocking locations using said optimization computer program,  
14 wherein said inventory levels are computed to meet a total 3

*obvious  
to maximize  
per cost*  
15 inventory cost while maximizing the percentage of said parts in  
16 said request rates which can be transferred from any said  
17 stocking location to each respective said customer location  
18 within a pre-specified time; and

19 ordering sufficient numbers of said parts to maintain said  
20 inventory levels at said plurality of stocking locations.

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